

APPLICATION FOR A CERTIFICATE OF REGISTRATION

MEDICAL DISCOUNT PLANS

GENERAL INFORMATION:

- The **Application Fee of \$500.00 and Administration and Enforcement Fee of \$1,300** are payable by check or money order to the Nevada Division of Insurance (“Division”). Fees are not refundable.

- **Resident Corporations, Limited Liability Companies, Limited Liability Partnerships and Associations:** The Articles of Incorporation/ Organization must be approved by the Division prior to the filing the Articles of Incorporation/Organization with the Nevada Secretary of State (SOS). Please contact the SOS for the applicable fees. The SOS may be contacted at (775) 684-5708 or <http://www.sos.state.nv.us>.
 1. The purpose of the Articles of Incorporation must include, “Medical Discount Plan”.
 2. Completed Articles of Incorporation/Organization must be provided to the Division for name and purpose approval. Please submit 2 copies.
 3. If the Articles are approved, the Division will forward the Articles of Incorporation/Organization to the Secretary of State, (SOS), for their approval. If not approved, the Division will contact the applicant.
 4. The fees payable to the Secretary of State must come in a separate sealed envelope, with a cover letter indicating “Secretary of State” on the outside and include therein any special requests or requirements of the registrant to the SOS. (In order to ensure the checks delivery to SOS and not receipted by the Division.)
 5. Any business entity that fails to maintain its qualification with the Nevada Secretary of State forfeits its right to do business in this state and must immediately surrender any licenses issued by this Division.

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- **Nonresident Corporations, Limited Liability Companies, Limited Liability Partnerships and Associations** must file their Articles of Incorporation/ Organization with the Nevada Secretary of State (SOS). Please contact the SOS for the applicable fees. The SOS may be contacted at (775) 684-5708 or <http://www.sos.state.nv.us>.
1. The purpose of the Articles of Incorporation must include “Medical Discount Plan”.
 2. The Articles of Incorporation/ Organization and any fees payable must be submitted directly to the SOS.
 3. Approved Articles of Incorporation/ Organization must be submitted to the Division with this application.
 4. Any business entity that fails to maintain its qualification with the Nevada Secretary of State forfeits its right to do business in this state and must immediately surrender any licenses issued by this Division.
- The Certificate of Registration does not allow the Medical Discount Plan (“MDP”) to market or administer products which are not approved in Nevada, or which are issued by a non-admitted insurer or unauthorized multiple employer trust or associated marketing plan.
- An incomplete application will only be held, pending completion, for 90 days following first receipt. If the application has not been completed within 90 days of the Division’s receipt of the first application, it will be rejected. The applicant, if he chooses, may submit a new application and fee.

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1. The Division will give notice to the applicant as to why the application is “incomplete” and request additional information. The applicant must submit the information (to complete the application) within 90 days of the Division’s first receipt.
2. If the applicant fails to submit the information requested within the allotted time, the application is deemed “incomplete” and will be rejected.
3. The applicant, if he so chooses, may withdraw the application, within the initial 90 days, if the application is “incomplete,” and he is unable to provide the requested information. The withdrawn application would not be labeled as “rejected” or “denied.”
4. Once the withdrawn application is completed, the applicant may resubmit the application and applicable fees as a new application.

APPLICATION CHECK LIST

- Must be incorporated into application. (Labeling of Exhibits, etc.)

BIOGRAPHICAL FORM

- Biographical affidavit - NAIC form #11. Available from NAIC Web site.

Link: http://www.naic.org/documents/industry_ucaa_form11.doc

NEVADA STATUTES AND REGULATIONS

- Links to Nevada laws and regulations are available at: <http://leg.state.nv.us>.

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Application for Registration

Medical Discount Plan (MDP) or Program

Company Name:

Contact person(s):

Telephone number (including area code):

() - _____

Facsimile number:

() - _____

Email: _____

CHECKLIST – The following items must be included with the application.

Attach and Label Exhibit 1: ORGANIZATIONAL DOCUMENTS:

- ✓ ARTICLES OF INCORPORATION /ORGANIZATION
- ✓ BYLAWS
- ✓ PARTNERSHIP AGREEMENT (if applicable)

Attach and Label Exhibit 2: CERTIFICATE OF REGISTRATION or LICENSE STATUS

(AKA CERTIFICATION LETTERS):

Please indicate in the table of states (below) the status of any application, license, or registration that you may have OR you may have applied for:

- | | |
|------------------------------|---|
| ✓ <u>AF = APPLIED FOR</u> | ✓ <u>NR = NOT REQUIRED TO REGISTER/</u> |
| ✓ <u>AA = APPROVED</u> | <u>LICENSE</u> |
| ✓ <u>R = REGISTERED</u> | ✓ <u>D = DENIED</u> |
| ✓ <u>L = LICENSED</u> | ✓ <u>P = PENDING</u> |
| ✓ <u>NA = NOT APPLICABLE</u> | |

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AL	AK	AZ	AR	CA
CO	CT	DE	DC	FL
GA	GU	HI	ID	IL
IN	IA	KS	KY	LA
ME	MD	MA	MI	MN
MS	MO	MT	NE	NV
NH	NJ	NM	NY	NC
ND	OH	OK	OR	PA
PR	RI	SC	SD	TN
TX	UT	VT	VA	VI
WA	WI	WY		

- ✓ You must provide an original letter of certification for each state in which the MDP is licensed or registered. Certifications should be in alpha order by state and should not be over 90 days old.
- ✓ Do not provide a Certificate of Good Standing (CGS) in lieu of the Certificate of License Status (COS). The COS comes from the Insurance Division in each state in which the MDP is licensed.

Attach and Label Exhibit 3: BIOGRAPHICAL AFFIDAVITS:

An NAIC Biographical Affidavit must be submitted for each person listed on the Application for Certificate of Registration for Medical Discount Plans, questions # 9 and #10 below. Affidavits must be submitted in alphabetical order and must be notarized pursuant to the instructions for the form. The forms are available from the NAIC Web site at:

http://www.naic.org/documents/industry_ucaa_form11.doc

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Attach and Label Exhibit 4: FINANCIAL STATEMENT:

Each application for a certificate of registration as a Medical Discount Plan must include or be accompanied by:

- A copy of the most recent financial statements of the applicant, audited by an independent certified public accountant. If the audited financial report is more than 6 months old, include:

An income statement, balance sheet and cash flow statement for the **90-days** immediately preceding the date the application was filed with the Division, prepared in accordance with generally accepted accounting principles.

-Or-

- If current audited financial statements are not available, include an income statement, balance sheet and cash flow statement for the **2 years** immediately preceding the application, prepared in accordance with generally accepted accounting principles and certified by an independent certified public accountant.

The submission by the applicant of a certified income statement, balance sheet and cash flow statement does not constitute compliance with the provisions of the first paragraph in this section. The audited financial statement must be submitted by the applicant within 120 days of the initial application.

- Each application for a certificate of registration or a renewal or such application must at all times maintain a minimum net worth of \$100,000.
- Failure to maintain the minimum net worth will constitute a violation of NRS 695H and NAC 695H, and therefore, subjects the applicant or registrant to administrative actions.

Attach and Label Exhibit 5: PLAN OF OPERATION:

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Provide a detailed plan of operation.

- ✓ Who the MDP is.
- ✓ Describe the facilities, the employees and what services the MDP will be offering to the member or applicant.
- ✓ List the providers who will be working with the MDP including the extent and nature of any contracts or other agreements between any person who is responsible for conducting the business activities of the applicant and the medical discount plan.
- ✓ Disclose any possible conflicts of interest between all members of the board of directors, officers and managers and any entity conducting business activities of the applicant and the medical discount plan.
- ✓ Disclose the name of the person(s) or entity who will be providing the administrative services in the state of Nevada for the applicant.
- ✓ Include any other information that is material and relevant to the operations of the Medical Discount Plan.

Attach and Label Exhibit 6: STAFF:

- ✓ Provide a written explanation that demonstrates that the applicant has sufficient staff and equipment to process applications, cancellations and complaints in a timely manner.
- ✓ Include a description of any automated system that will be used.

Attach and Label Exhibit 7: PROVIDER AGREEMENT:

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A copy of all forms used for contracts between the applicant and:

- ✓ Each provider agreement and any amendments thereto.
- ✓ A copy of each network of providers of health care agreement and any amendments thereto.
- ✓ A copy of each health care facility agreement and any amendments thereto.

Attach and Label Exhibit 8: MARKETING MATERIALS:

- ✓ Provide a description of the marketing methods the applicant is proposing to use.
- ✓ Provide a copy of all materials that are to be used in the marketing of the Medical Discount Plan.
- ✓ Provide a copy of the disclosures that the Medical Discount Plan must provide to any prospective member of the plan.
- ✓ A summary discussion **acknowledging the requirements of NRS 695H.100 – usage of certain insurance terms, and NRS 695H.110 - .120**, disclosures and font sizes.
- ✓ A description of the procedures for a plan member to register a complaint; how and where the complaint data will be stored, and acknowledgement that the data must be accessible to the Division for the purposes of compliance and consumer satisfaction.

The applicant acknowledges that the Commissioner of Insurance may request additional information to complete the registration process.

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DEPARTMENT OF BUSINESS & INDUSTRY
DIVISION OF INSURANCE
1818 EAST COLLEGE PKWY, SUITE 103
CARSON CITY, NV 89706
(775) 687-0700

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1. Name of applicant _____

2. Principal business address _____

3. Principal business phone number _____

(Including area Code)

Principal business fax number _____

(Including area Code)

4. Federal Identification Number _____

5. Branch office address; (if any)

6. Branch office phone number _____

(Including area Code)

Branch office fax number _____

(Including area Code)

7. Does applicant intend to transact business under a fictitious name? Yes () No ()

If answer is "yes" list such name(s): _____

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8. If applicant is an organization, indicate the type of business organization (check one):

Domestic Corporation () Foreign Corporation () Association Partnership () Other ()

9. If applicant is a partnership or association, list full names and addresses of all members.

If a corporation, list the full names and addresses of all officers:

Full Name

Title

Address

10. Provide the names of all persons who intend to act under the certificate and identify their relationship of each person to the applicant. Include all individuals listed in #9 and any individual who will be handling Nevada business. (Each person must file individual biographical affidavits.)

Full Name

Relationship to Applicant

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11. Does the applicant agree that if a certificate is issued, only those persons named in the certificate will be authorized to act under the certificate? Yes () No ()

12. Is the applicant now, or has it ever been licensed as an insurance company or managed health care entity? An insurance agent or broker? Yes () No ()

If the answer is "Yes" complete the following:

Type(s) of license(s) held	Date(s)	Where
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13. Does the applicant now hold any insurance license issued by another state or provinces other than Nevada? Yes () No ()

If answer is "Yes", complete the following:

Type of License	Resident or Non-Resident	State or Province
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14. Has the applicant ever been licensed to transact insurance activities other than in Nevada or as shown in 13 above? Yes () No ()

If answer is "yes" complete the following:

Name(s) of state(s)	License(s) type	Dates(s)
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14. Cont. Name(s) of state(s)

License(s) type

Dates(s)

15. Has any license applied for or issued to applicant or any person under No. 13 or 14 listed above ever been denied, suspended or revoked? Yes () No ()

If answer is “yes” attach a supplementary statement of fact explaining the action.

16. Has the applicant or any individual listed in No. 9 or 10 ever:

If any of the questions are answered “yes” please attach a statement.

- (a) Been charged, arrested or convicted of a felony? Yes () No ()
- (b) Been charged, arrested or convicted or a misdemeanor? Yes () No ()
- (c) Received an Executive Pardon? Yes () No ()
- (d) Been permitted to change its plea of guilty after conviction of a crime or had a judgement or verdict vacated? Yes () No ()
- (e) Entered a plea of nolo contendere to a criminal action? Yes () No ()

17. Is applicant or any individual listed in No. 13 or 14 above now or ever been indebted, other than for current accounts, to any company or person for unpaid premiums or return premiums? Yes () No ()

If answer is “yes” attach a supplementary statement giving full details concerning the indebtedness including how it arose, the parties involved and the final outcome of the matter.

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18. Has the firm or any owner, partner, officer or director ever been convicted of, or is the firm or any owner, partner, officer or director currently charged with committing a crime?

Yes () No ()

“Crime” includes a misdemeanor, felony or military offense.

Misdemeanor traffic citations and juvenile offenses, may be excluded.

“Convicted” includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere, or having been given probation, a suspended sentence or fine.

If you answered “yes” you must attach to this application:

- (a) a written statement explaining the circumstances of each incident;
- (b) a copy of the charging document; and
- (c) a copy of the official charging documents which demonstrates the resolution of the charges or any final judgment.

The undersigned owner, partner, officer or director of the business entity hereby certifies, under penalty of perjury, that:

I have read the foregoing application and know the contents thereof, that each statement therein made is full, true and correct and I understand that any false statement may subject all licenses issued to me and/or to this organization to suspension or revocation.

Nonresidents Only: *The business entity hereby designates the Commissioner of Insurance to be its agent for service of process regarding all insurance matters, including Medical Discount Plans, in the State of Nevada and agrees that service upon the Commissioner of Insurance is of the same legal force and validity as personal service upon the business entity.*

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NOTE: If applicant is a partnership each member
Thereof must sign the application.

Signature (s)

Printed Name and Title

Date

State of _____

County of _____

Personally appeared before me, the above named _____
personally known to me, who, being duly sworn, deposes and says that he executed the above
instrument and that the statements and answers contained therein are true and correct to the best
of his knowledge and belief.

Subscribed and sworn to before me this ____ day of _____ of _____.

(Notary Public)

(SEAL)

My Commission Expires _____